internal combustion engine and a power circulation loss between the generator and the motor.

Kaneko et al. by contrast teaches the operation of an internal combustion engine to drive a first motor of a hybrid electric vehicle to generate electrical power only when the vehicle's battery state-of-charge is below a certain threshold during reverse mode operation. (Japanese Publication 2000-4518 at Abstract and paragraphs 0005-0007.) Normally, however, a second motor powered by the battery is used to propel the vehicle in reverse. (Japanese Publication 2000-4518 at Abstract and paragraph 0010.) If the battery state-of-charge is below the threshold, then the internal combustion engine drives the first motor to charge the battery such that the battery maintains a minimal amount of electrical energy required by the second motor to propel the vehicle. (Japanese Publication 2000-4518 at Abstract and paragraphs 0005-0007.)

For these reasons, applicants respectfully submit that the pending claims are not anticipated or made obvious by Kaneko et al. The Kaneko et al. reference does not teach or suggest the steps of the pending claims.

Applicants respectfully submit that pending claims 16-20 are allowable over the Kaneko et al. reference. Accordingly, the above-identified application is believed to be in condition for allowance in all respects, and such allowance is courteously solicited.

If any further amendment is necessary to advance prosecution and place this case in allowable condition, the Examiner is courteously requested to contact the undersigned by fax or telephone at the number listed below. Please charge any cost incurred in the filing of this Amendment, along with any other costs, to Deposit

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Account 06-1510. If there are insufficient funds in this account, please charge the fees to Deposit Account No. 06-1505.

Respectfully submitted,

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Enclosure

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